



Judges' Retirement System II



●

Judges' Retirement System II Member Booklet

MEMBERSHIP	2
CONTRIBUTIONS	2
<i>Refund of Contributions</i>	2
<i>Redepositing Withdrawn Contributions</i>	2
MONETARY CREDITS	3
FINAL COMPENSATION	3
SERVICE CREDIT	3
SEPARATION	3
RETIREMENT OPTIONS	3
<i>Service Retirement</i>	3
<i>Defined Benefit Plan</i>	3
<i>Monetary Credits Plan</i>	4
<i>Disability Retirement</i>	4
SURVIVOR BENEFITS	5
<i>Pre-Retirement Death</i>	5
<i>Not Eligible to Retire</i>	5
<i>Eligible to Retire</i>	5
<i>Post-Retirement Death</i>	5
HEALTH BENEFITS	6
APPLYING FOR RETIREMENT	6
OTHER CONSIDERATIONS	6
<i>Community Property</i>	6
<i>Dental Insurance</i>	6
<i>Electronic Fund Transfer (EFT)/Direct Deposit</i>	6
<i>Group Life Insurance</i>	6
<i>Social Security</i>	6
<i>Taxes</i>	7
<i>Working After Retirement</i>	7
<i>Service Retirement</i>	7
<i>Disability Retirement</i>	7

Membership

The Judges' Retirement System II (JRS II) was passed as Chapter 11.5 in 1994 to create a second retirement system for judges first elected or appointed to judicial office on or after November 9, 1994. Membership includes justices of the Supreme Court or the District Court of Appeal, and judges of a superior or municipal court.

Contributions

As a member of the JRS II, a portion of your monthly salary (currently 8 percent) is deducted each month and put into your account in the Judges' Retirement System II Fund (JRS II Fund). If you are a Supreme Court or appellate court justice or a superior court judge, you do not pay income taxes on your contributions until you retire or receive a refund. If you are a municipal court judge, you may pay income taxes on your contributions, depending on the county in which you work. The amount of your accumulated contributions is shown on your JRS II Annual Member Statement, which is mailed to you after the end of each fiscal year.

As of July 1, 1997, your employer contributes an amount equal to 21.92 percent of your salary into your account in the JRS II Fund. This amount is re-evaluated annually through an actuarial valuation. Your contributions, along with your employer's contributions and earnings from investments, pay for your retirement and death benefits.

Refund of Contributions

A refund of your contributions terminates your JRS II membership, and you will not be eligible for any benefits from the System. You must accept a refund of your contributions under the following circumstances:

- if you leave judicial office before accruing at least five years of service; OR
- if you plead guilty or no contest or are found guilty of a crime committed while holding office that is punishable as a felony under California or federal laws and which involves moral turpitude or was committed in the course and scope of your duties.

Redepositing Withdrawn Contributions

If you are re-appointed or elected to a judicial position after withdrawing your accumulated contributions or being paid your monetary credits upon leaving judicial office, you may redeposit your withdrawn contributions, plus interest from the date of withdrawal to the date of payment, and restore corresponding service credit.

Please Note

This booklet applies to those elected to a judicial position on or after November 9, 1994. If you were elected prior to November 9, 1994, please refer to our booklet **Judges' Retirement System**, JRS-JUD-1.

Monetary Credits

Monthly, you accrue monetary credits in your JRS II Fund account equal to 18 percent of your monthly salary. (This includes your 8 percent employee contribution plus 10 percent employer contributions.) In addition, you will receive interest credited at the net earnings rate achieved by the JRS II Fund on its investments during that fiscal year. You will not accrue monetary credits for service during a term of office that begins after you reach 70 years of age.

Final Compensation

“Final compensation” is your average monthly salary during the 12 months immediately preceding your retirement or separation from judicial office.

Service Credit

You earn service credit for the time you hold office as a judge of a municipal or higher court, computed in years and fractions of years.

Separation

If you leave judicial office before accruing at least five years of service, you will be paid the amount of your contributions to the system. **You will not be considered a retired judge.**

If you leave office after accruing five or more years of service, but do not meet the eligibility for service retirement under G.C. Section 75522, you will be paid the amount of your monetary credits, including any interest earned. **You will be considered a retired judge.**

Retirement Options

Several retirement options are available to you. We advise you to carefully review the benefits of each plan to determine which is best for your particular situation.

Service Retirement

Section 75522

To qualify for a service retirement, you must be at least 65 years old with at least 20 years of service or 70 years old with at least five years of service.

Two types of service retirement plans are available to you in the JRS II. We advise you to carefully review the benefits of each, including the survivor benefits, to determine which is best for your particular situation. You must elect a plan within 30 days after your retirement. If you do not choose a plan, you will automatically be enrolled in the Defined Benefit Plan.

Defined Benefit Plan

In this plan, your monthly retirement allowance will equal 3.75 percent of your final compensation multiplied by your number of years of service up to a maximum of 75 percent of your final compensation. If you do not retire by the end of the term during which you reach 70 years of age, your maximum retirement allowance will be 50 percent of your final compensation.

You may elect to receive an actuarially reduced benefit to provide a continuing allowance for a surviving spouse. (See description of options under Survivor Benefits, Retired.)

Your monthly retirement allowance may be increased annually for cost of living increases based on the Consumer Price Index. Cost of Living Adjustments (COLA) are effective in January of each year after you have been retired for more than six months. Adjustments will be made if the annual COLA is at least 1 percent, and the maximum annual adjustment is 3 percent per year.

Monetary Credits Plan

At the time you become eligible for service retirement, you may elect to receive the amount of your monetary credits, plus interest, in a lump sum, you may roll it over into another qualified financial institution, or you may receive it in an annuity of actuarially equivalent value for your lifetime.

Disability Retirement

Section 75560

If you become unable to discharge the duties of your office because of a mental or physical disability that is or is likely to become permanent, you may apply to the Commission on Judicial Performance (CJP) for disability retirement.

No age requirement exists for disability retirement. No length of service requirement exists for retirement due a work-related disability. For a non-industrial disability retirement, you must have at least five years of service credit.

For a work-related disability retirement, you will receive 65 percent of your final compensation as a retirement allowance. The CJP makes the final determination if the disability is predominantly a result of injury arising out of and in the course of judicial service.

For a non-industrial disability retirement, your monthly retirement allowance will be the lesser of either:

- 3.75 percent of your final compensation multiplied by the number of years of service you would have been credited had you continued to work until the age at which you would have first been eligible to for a service retirement; OR
- 65 percent of your final compensation on the effective date of the disability retirement.

For a disability retirement on or after you reach age 70, you will receive a monthly retirement allowance payable for a service retirement at the same age and years of service.

The following table shows the retirement allowance at various ages and years of service:

Retirement Age	AND	Years of Service	Retirement Allowance
65 or older	By the end of the term in which you reach age 70	20 years or more	75 percent of final compensation
70 or older	By the end of the term in which you reach age 70	5 - 19 years	3.75 percent of your final compensation multiplied by your number of years of service
70 or older	In or after a term which starts after your 70th birthday	5 years or more	3.75 percent of your final compensation multiplied by your number of years of service not to exceed 50 percent of your final compensation

Survivor Benefits

Pre-Retirement Death

If you die before you retire, the JRS provides benefits to your surviving spouse. If you have no surviving spouse, the benefit is paid to your surviving child(ren); or if none, to your designated beneficiary, or if none, to your estate.

Not Eligible to Retire

If you die before you are eligible to retire, your surviving spouse will receive the *greater* of either:

- your accrued monetary credits; OR
- three times your annual salary at the time of your death payable in 36 equal monthly installments.

Eligible to Retire

If you die after you are eligible to retire, but before you retire, your surviving spouse may elect within 90 days of your death to receive either:

- a monthly allowance equal to one-half of your Defined Benefit Plan allowance; OR
- your benefits under the Monetary Credits Plan.

Post-Retirement Death

If you elect a monthly allowance under the Defined Benefit Plan when you retire, you may elect to reduce your retirement allowance and choose one of the four optional settlements listed below *before* your first monthly allowance is paid:

- **Option 1:** If you die before you receive the amount of your accumulated contributions, the balance is paid to your surviving spouse or estate.
- **Option 2:** After your death, your adjusted monthly retirement allowance continues for your spouse's lifetime.
- **Option 3:** After your death, one-half of your adjusted monthly retirement allowance continues for your spouse's lifetime.
- **Option 4:** Under specific guidelines, survivor benefits may be customized to fit your needs. All optional settlement requests are subject to the approval of the California Public Employees' Retirement System (CalPERS) Board of Administration.

If you elect the Monetary Credits Plan when you retire, your surviving spouse will receive benefits based on the method of benefit payment you choose at retirement.

- if you choose to receive your monetary credits in a lump sum upon retirement, then your surviving spouse receives no survivor benefits.
- if you choose to receive an annuity after retirement, then your surviving spouse receives the remaining funds at the time of your death.

Health Benefits

As a retired JRS II member or former member who has not yet reached age 65, you may continue your health insurance coverage, provided the following occurs:

- you have at least 5 years of service credit; AND
- you elect the coverage within 60 days after leaving office; AND
- you assume the cost of both the employee and employer shares of the health premium until the age at which you would be eligible for a service retirement if you had remained in judicial service.

When you reach age 65, you are entitled to have the applicable employer share of your health care premium paid by your employer. You must then pay the remaining share of the employer premium in addition to paying your member share. The applicable employer share is determined by years of service credit as follows:

Years of Service Credit	Percentage of Employer Share of Monthly Premium Paid by Employer (Remainder Paid by Member)
At least five years	50 percent
Between five and 10 years	Pro-rated between 50 percent and 100 percent
10 years or more	100 percent

Applying for Retirement

To apply for a service retirement, you must apply to the JRS prior to your anticipated retirement date. Your effective retirement date may not be earlier than the date your application is received by the JRS.

Your application may be in the form of a letter, or you may request an application form from the JRS. Please include a copy of your birth certificate. To ensure timely processing, please submit your application to the JRS 60 days before you intend to retire.

To apply for disability retirement, you must apply to the Commission on Judicial Performance and the Chief Justice. Once approved, the Commission will notify the JRS, and we will send you the necessary forms.

Other Considerations

Community Property

If you and your spouse divorce or legally separate, your spouse may be eligible to receive a portion of your retirement benefits. Please contact the JRS for more information.

Dental Insurance

Many of the same rules apply to dental insurance that apply to your health benefits coverage; however, some differences exist.

Electronic Fund Transfer (EFT)/Direct Deposit

When you retire, or any time after retirement, you may choose to have your retirement warrant electronically transferred to your financial institution. Contact JRS to request a direct deposit form.

Group Life Insurance

If you want to continue deductions for payment of group life insurance premiums, contact your group insurance office for authorization forms.

Social Security

During your employment as a judge covered under JRS, you do not pay Social Security taxes. If you have ever contributed to social security under different employment, check with your local Social Security office to inquire about your benefits.

Taxes

Your benefits will be subject to both state and federal withholding. You will be given the opportunity to make an election regarding withholding.

At retirement, we recommend that you make an appointment with representatives from the Internal Revenue Service and California Franchise Tax Board, or your private tax consultant or attorney, to obtain information regarding the taxability of your retirement allowance. JRS will provide you with the information they need to advise you in this matter.

Working After Retirement

Service Retirement

Your retirement allowance will not be affected by any employment that does not require membership in JRS.

If you are appointed by the Supreme Court or any court of appeal to act as a master or referee in a proceeding pending before the court or before the Commission on Judicial Performance, you will be paid, in addition to your retirement allowance, the difference, if any, between the retirement allowance and the compensation of a judge of the court from which you retired.

Disability Retirement

After retiring for disability, you may not accept employment that requires membership in JRS or another public retirement system.

If you practice law or accept other gainful employment, other than a public office, while under age 70, your retirement allowance will be reduced so the total of your allowance and earnings does not exceed 75 percent of the current salary for your last judicial office. Monthly earnings must be reported to the Board of Administration by the eighth of the following month.

If you become entitled to any salary for assignment to a court by the Chairperson of the Judicial Council after retirement for disability, your retirement allowance will be reduced by the amount of your salary or compensation.

If you are under age 70 and you hold a public office which constitutes gainful employment, your retirement allowance will be permanently terminated.

After age 70, your retirement allowance will not be affected by employment after disability retirement.

●

Address and Telephone Numbers

Judges' Retirement System

400 P Street
Sacramento, CA 95814
(916) 326-3688

Mailing Address

P.O. Box 942705
Sacramento, CA 94229-2705

Internet Address

www.calpers.ca.gov

Please Note

This information booklet has been produced for use by members and other interested persons for informal purposes only. Please note that the Judges' Retirement System II is governed by the Judges' Retirement System II Law, California Public Employees' Retirement Law, and the Internal Revenue Code, rules and regulations which are complex and subject to change. In the event of any conflict between those governing authorities and the information provided here, the governing authorities shall have precedence.

